UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

STATE OF RHODE ISLAND; et al.,

Plaintiffs,

v.

C.A. No.:

DONALD J. TRUMP, et al.,

Defendants.

DECLARATION OF OMAR MUHAMMAD

Pursuant to 28 U.S.C. § 1746, I, Omar Muhammad, hereby declare as follows:

- 1. I am a resident of the State of Maryland. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.
- 2. I am currently employed by Morgan State University as Director of the Entrepreneurial Development and Assistance Center (EDAC).
- 3. For over 20 years, EDAC has been dedicated to the development and growth of minority business enterprises (MBEs), providing a comprehensive range of entrepreneurial support services. EDAC has successfully worked with businesses across various industries, including retail, construction, technology, professional services, food services, and manufacturing. Through such initiatives as the Baltimore Metropolitan Women's Business Center, EDAC helps minority- and women-owned businesses access funding, procurement opportunities, and business training. The center also provides one-on-one business coaching, financial literacy education, and

networking opportunities, enabling entrepreneurs to navigate the challenges of starting and scaling their businesses. Additionally, EDAC hosts numerous business development programs, including pitch competitions, procurement workshops, and accelerator programs, thereby ensuring that minority entrepreneurs gain access to capital, mentorship, and market expansion strategies.

- 4. I submit this declaration in connection with Executive Order 14,238, "Continuing the Reduction of the Federal Bureaucracy," which directed seven federal agencies, including the MBDA, to eliminate any non-statutory components and functions to the maximum extent consistent with applicable law, and to reduce the performance of any statutory functions and associate personnel to the minimum presence and function required by law.
- 5. The MBDA is the primary federal agency tasked to assist MBEs in overcoming the history of social and economic disadvantage that has limited their participation in America's economy.
- 6. For each of the past four years, EDAC has received a \$300,000 annual grant from the MBDA to support entrepreneurship education for formerly incarcerated individuals through the RIDE (Returning Citizens Inspired to Develop Entrepreneurial Ventures) program. These funds have been instrumental in providing comprehensive entrepreneurship training, one-on-one business guidance, and access to a content library for continued learning. The grant also has enabled EDAC to host an event that highlights the successes and challenges of program participants, showcasing their progress and the impact of entrepreneurship in their reintegration journey.
- 7. EDAC's budget for this year has relied on this funding, and we made plans, allocated funding, and offset other funding for the RIDE Program based on the anticipated receipt of the promised funding.

- 8. EDAC continues to seek funding opportunities from the MBDA, particularly in areas such as education for formerly incarcerated individuals, women entrepreneurship, and the Parren J. Mitchell Entrepreneurship Program. These funding opportunities are crucial for expanding EDAC's efforts to provide tailored entrepreneurship education, one-on-one business guidance, and support for marginalized communities. By securing these funds, EDAC aims to enhance its capacity to deliver impactful programs that empower individuals to start, grow, and sustain their businesses. Continued investment in these areas will help foster economic development, create jobs, and support the long-term success of MBEs in Maryland.
- 9. Although EDAC has a strong history of adequate performance relating to grant funding—with grants having been renewed after feedback that highlighted EDAC's commitment to delivering impactful services and achieving measurable outcomes—EDAC recently has experienced unprecedented challenges in receiving MBDA funds. I believe these challenges may be related to the disruption at the agency caused by the executive order and its implementation.
- 10. On March 29, 2025, I received a summary email from Denise Bowers, Assistant Director, Restricted Funds Accounting, that expressed confusion regarding the RIDE program's end date in their system. Ex. A. Although the original end date was December 31, 2024, we have an approved no-cost extension (NCE) through August 31, 2025. The email also acknowledged that Morgan State University is still owed approximately \$109,000 under a 2023 grant award for the same program. Ailing Zhang, Morgan State's Senior Grants Manager, requested that the grant be reopened as soon as possible so the university could once again submit the \$109,000 drawdown.
- 11. On information and belief, all but three of the MBDA's employees have been placed on administrative leave as part of the implementation of the executive order. I do not

believe that the MBDA can manage its existing grant portfolio (including EDAC's grant), issue new funds, or oversee MBDA Business Centers as the law requires with only three employees.

- 12. The delay in or loss of funding indicated by the March 29, 2025 email will have immediate and detrimental impacts on EDAC's ability to serve minority entrepreneurs, particularly those in vulnerable communities such as formerly incarcerated individuals. Without those funds, essential programs such as entrepreneurship education, one-on-one business guidance, and access to resources like the content library for continued learning will be halted, and the planned events to highlight participants' successes and challenges will be delayed, thus reducing opportunities for networking, visibility, and support. This disruption will ultimately hinder economic growth, job creation, and the empowerment of MBEs in Maryland.
- 13. The uncertainty of not getting paid or reimbursed for indirect charges already has created a chilling effect on service provision by EDAC. Without timely reimbursement, administrative and operational costs, including rent, utilities, and technology support, may become unsustainable, further disrupting service delivery. This financial instability can erode confidence among program participants and partners, limiting EDAC's ability to fulfill its mission of fostering economic development and entrepreneurship within underserved communities.
- 14. If the MBDA ceases to function in a meaningful way, as the executive order contemplates, that would in my opinion severely impact the growth and sustainability of minority-owned businesses across the country. The MBDA plays a critical role in providing access to capital, technical assistance, procurement opportunities, and tailored training programs, all of which are vital for minority entrepreneurs to compete and thrive. Without the MBDA, many MBEs would face greater challenges in securing funding, gaining market access, and scaling their operations. That, in turn, would likely lead to a decline in economic opportunities for underserved

communities, hindering job creation, wealth-building, and overall economic growth within these populations. The loss of the MBDA's support would disproportionately affect women and minority entrepreneurs, who rely heavily on its resources to navigate the complex landscape of business development.

- 15. Access to grant funding provides critical support for small businesses, enabling them to scale operations and enhance sustainability. During conferences, participants receive advice on such matters as grant management strategies and business development insights. Networking with other organizations receiving similar funding fosters collaboration, knowledge sharing, and potential partnerships. Additionally, introductions to complementary resources—such as mentorship programs, procurement opportunities, and additional funding sources—help recipients maximize the impact of their initial grant and build long-term success.
- 16. In my opinion, the MBDA's services are critical for the development of MBEs in Maryland and elsewhere because they provide essential resources that help level the playing field for minority entrepreneurs. Through access to capital, business consulting, procurement opportunities, and specialized training, MBDA equips MBEs with the tools needed to scale and compete in the marketplace. Their expertise in connecting businesses to funding, mentorship, and strategic partnerships fosters sustainable growth and economic empowerment within underserved communities. Without these services, many minority-owned businesses would struggle to navigate the challenges of entrepreneurship and achieve long-term success.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct.

Executed on April 2, 2025, at Baltimore, Maryland.

Omar Muhammad

EXHIBIT A



Omar Muhammad <omar.muhammad@morgan.edu>

(1) Re: MBDA

1 message

Denise Bowers <Denise.bowers@morgan.edu>
To: Omar Muhammad <omar.muhammad@morgan.edu>
Cc: Denise Bowers <Denise.Bowers@morgan.edu>

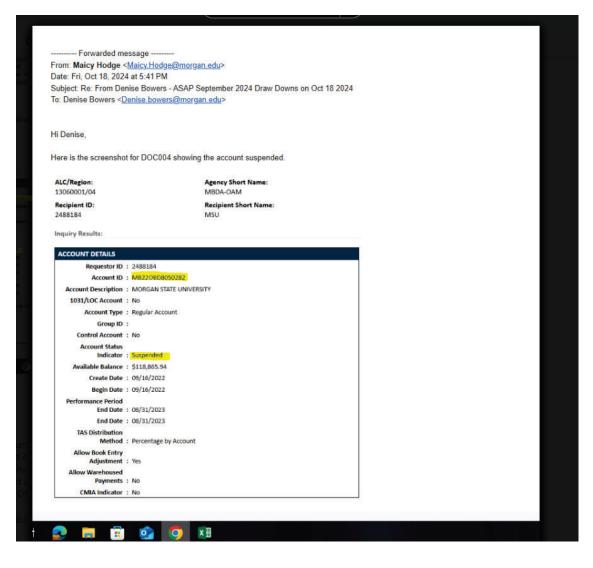
Sat, Mar 29, 2025 at 6:09 PM

Hi Omar,

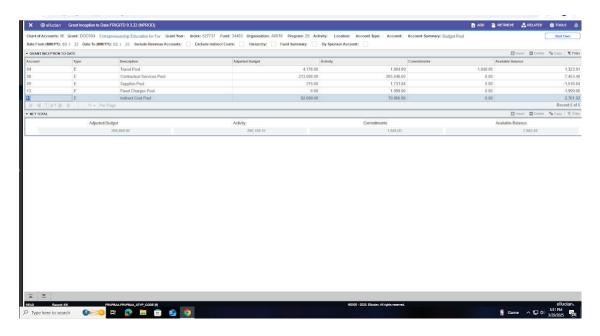
What is going on? I just saw that other email. What happened to your meeting request with Ms. Chambers to discuss the issues?

Once again, this grant went into suspension during the grant transfer process from one agency to another agency back in 2023. We have been trying to get reimbursed for the last drawdown expenses submitted of \$109,055.45. Just a reminder, this grant suspension happened way before the DEI Executive Orders started. Ailing requested a No Cost Extension so they would reopened the grant on ASAP, so the University could once again submit the \$109K drawdown. This has been our battle between the two agencies - NOAA and MBDA.

This RIDE grant award number is MB220BD8050282 (527773 Index for the original period of 9/01/2022 - 8/31/2023.



527737 - 34483 - DOC004 - Banner Grant Budget Codes



Thanks Denise

Denise Bowers
Assistant Director, Restricted Funds Accounting
Division of Finance and Administration
Morgan State University
443-885-3770 - Direct Line
443-885-3442 - Main Office
443-885-8278 - Fax
Denise.Bowers@morgan.edu

On Sat, Mar 29, 2025 at 8:52AM Omar Muhammad <omar.muhammad@morgan.edu> wrote:

Is this for the 2023 or 2024 grant?

Improve & Progress!

www.edacmorgan.com

LinkedIn Page:

http://www.linkedin.com/in/omarsmuhammad

Facebook:

https://www.facebook.com/edacpreneurs

Omar S. Muhammad EN-TRE-PRE-NEUR & Director Morgan State University Entrepreneurial Development & Assistance Center (EDAC) Office of the Provost Business Center 1700 E. Cold Spring Lane, Suite 302 Baltimore, MD 21251 443-885-3663 www.edacmorgan.com omar@edacmorgan.com

On Fri, Mar 28, 2025 at 1:41 PM Denise Bowers < Denise.bowers@morgan.edu> wrote: Hi Omar.

Thanks for the reminder.

Yes, Maicy confirmed this grant MB220BD8050282 (DOC004 Banner grant code) is still suspended on ASAP and not available for the final drawdown of \$109,055.45. She said as a reminder, the grant was already suspended before the new White House Administration took office.

Let me know if you need anything else.

Thanks, Denise

Denise Bowers
Assistant Director, Restricted Funds Accounting
Division of Finance and Administration
Morgan State University
443-885-3770 - Direct Line
443-885-3442 - Main Office
443-885-8278 - Fax
Denise.Bowers@morgan.edu

On Fri, Mar 28, 2025 at 11:22AM Omar Muhammad <omar.muhammad@morgan.edu> wrote:

Great day Denise! Following up on the request to see if any additional funds are owed to Morgan from MBDA. I need to let the General Counsel office know by the end of today. Thanks.

Improve & Progress!

www.edacmorgan.com

LinkedIn Page:

http://www.linkedin.com/in/omarsmuhammad

Facebook:

https://www.facebook.com/edacpreneurs

Omar S. Muhammad EN-TRE-PRE-NEUR & Director Morgan State University Entrepreneurial Development & Assistance Center (EDAC) Office of the Provost Business Center 1700 E. Cold Spring Lane, Suite 302